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able. It should be noted, moreover, that none of the errors, from whatever sources arising, affect in the slightest degree the validity of any of the general opinions, judgments, or recommendations made by the authors.

They, nevertheless, were of course unwilling to have anything appear in the volume that was inaccurate whether or not the fault were theirs. As soon, therefore, as Professor Cross's letter had made it clear that there was a considerable number of errors, a careful verification was made of every figure in the book. The number of errors appearing to be too large to be covered by a mere list of *errata*, the authors, as soon as they could make the arrangement with the publishers, decided to withdraw this edition from the market, and the publishers were instructed to sell no further copies without notification to the intending purchaser that a new and revised edition was in course of preparation and would be furnished in the not distant future.

It is expected that the new edition will not merely correct all errors, but also be revised in other ways and furnish much new material, such as the publication of the census figures and other new data will make possible.

I recognize gladly my obligation to Professor Cross for his painstaking notes, while I wish that he had given some portion of his review to a discussion of the real questions at issue in the book, none of which, let me repeat, are in any way affected by these minor errors to which he has so carefully called attention.

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September 14, 1912

Accounting Systems. A description of systems appropriate to different kinds of business. By EDWARD P. MOXEY, JR. (Vol. X of *Modern Business*.) New York: Alexander Hamilton Institute, 1911. 8vo, pp. xvii+468. \$2.50.

Auditing and Cost Accounts. Part I: Auditing. By SEYMOUR WALTON, C.P.A. *Part II. Cost Accounts.* By STEPHEN W. GILMAN, LL.B. (Vol. XI of *Modern Business*.) New York: Alexander Hamilton Institute. 1911. 8vo, pp. xx+512. \$2.50.

These works constituting part of the twelve-volume series on *Modern Business* must be judged in relation to the particular clientèle to which

it appeals. The series is designed for home study, partly as the basis for correspondence work, but more generally used as a comprehensive treatment of business organization and methods for persons studying by themselves without personal intercourse with an instructor. For such it would seem an almost indispensable feature that there be furnished a convenient, yet fairly comprehensive, list of collateral references. Even in the college classroom, where text can readily be amplified by suggestions or criticisms of the instructor, the use of collateral references is well-nigh universal. Much more important is it that the isolated student should be encouraged to compare other, perhaps conflicting, views. Furthermore, the interested student constantly desires to branch out and make a more intensive study of some topic, touched upon in a general treatise but in such a work necessarily given but scant attention. Yet almost no such assistance is offered in the books here under review, save that from time to time the reader is advised to consult passages found in another volume of the same series. Even where the text mentions some authority, exact citation is sometimes lacking. Thus, for instance, in the work on auditing, a single section (146) makes separate mention of five different legal decisions, from two of which passages are quoted. In no instance is even the title of the case given, reference being merely to "a decision by the United States Supreme Court," "a New York decision," etc. Surely the student, to whom a few lines of the decision in *Gibbons v. Mahon* are thus anonymously quoted, might desire to read more of the context and argument of that most significant case. It seems unfair not to give him any hint as to its title or location.

The subject-matter of the volumes is, however, in general very well presented. Mr. Moxey, in the volume on accounting systems, presents in some considerable detail general systems of accounts adapted respectively to the needs of building and loan associations, life and fire insurance companies, department stores, gas companies, railroads, street railways, and municipalities. To these are added chapters on bank accounting by Howard Jefferson, on brewery accounting by Otto A. Grundmann, and on accounts of executors and administrators by Harold D. Greeley. If any criticism is to be made it might be that somewhat too much attention is given to details of forms, and too little emphasis is laid on the particular features which logically require differently ordered accounting systems. Thus in a work technical in its nature, and professing to reproduce only such forms as are "not in such general use as to be familiar to the reader," it seems almost gratuitous to print forms of a customer's check, a bank draft, and a deposit ticket.

The purchase of supplies is not particularly different in a department store from that in a gas company, or a street railway, so there is some repetition in describing the handling of purchases in each of these institutions. Voucher payments and pay-rolls are not referred to in the discussion of department stores, but are described in connection with gas companies as if particularly connected with the latter industry. The chapter on municipal accounts is the least satisfactory; that on department stores is particularly clear and interesting.

Mr. Walton's work on auditing is characterized by a nice discrimination in the use of accounting terms, which other writers might profitably study. Even where the author uses terms with a somewhat different connotation than the traditional one, he is consistent in his own use of them. The work contains some matter that pertains to the general principles of accounting rather than to the practice of auditing. Thus the booking of capital stock, of premium on bonds, of cash discounts, etc., might surely be considered a part of "accounting theory and practice," and some of these topics are, indeed, treated in the volume of this series bearing that title as well as in this work on auditing. But in this respect the text offends less—if, indeed, giving good measure be an offense at all—than most of its predecessors. The sections dealing with auditing as such are replete with practical suggestions, rich with references to personal experiences, and always clearly and interestingly stated. A short chapter on double entry goes perhaps unjustifiably afield. But it is particularly interesting because of the unusually clever way in which the author attempts the task—which many think an impossible one—of reducing debit and credit "to one uniform relation of indebtedness."

The third treatise, that on cost accounting by Professor Gilman, is technical and descriptive in its character, taking up in order the treatment, in cost accounting, of labor, material, and burden. In each of these matters the author describes the methods actually used by various corporations, illustrations being drawn mainly from the Chicago, Milwaukee & St. Paul Railway, the Bridgeport Brass Company, and three other manufacturing concerns whose real names are concealed by pseudonyms. The treatment is different from that found in some earlier works as there is a systematic and satisfactory discussion of such topics as store records, work records, distribution sheets, etc., in regard to each of which the practices of the selected corporations are compared. Only in one case, the Bridgeport Brass Company, is the entire costing system treated as a unit. The author indulges but little in theoretical

discussion. On the vital question of the division of overhead expense, Reckitt's classification of five methods is given with but little comment, save an expression that distribution on the basis of direct labor is probably the most scientific. The feature of the book most highly to be commended is the very valuable collection of forms for use in cost accounting. The author has not only availed of his unusually wide acquaintance with accounting systems in actual use, but has shown wise discretion in the specific forms selected. In this respect the work is perhaps without a rival.

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Social Forces in American History. By A. M. SIMONS. New York: Macmillan, 1911. Pp. xiii+325.

Mr. Simons is the editor of *The Coming Nation*, a Socialist paper published in Chicago, and has contributed frequently to Socialist publications. Among other articles he published during 1911, in the *Progressive Journal of Education*, another Chicago Socialist organ, a series called "A New Interpretation of American History." These have been carefully rewritten and expanded into the present volume, but of that fact no mention is anywhere made. As a consistent disciple of Marx, Mr. Simons gives us a thoroughgoing application of the economic interpretation of history. On this point he may be permitted to speak for himself:

Changes in the industrial basis of society—inventions, new processes, and combinations and methods of producing and distributing goods—create new interests with new social classes to represent them. These improvements in the technique of production are the dynamic element that brings about what we call progress in society.

In this work I have sought to begin at the origin of each line of social progress. I have first endeavored to describe the steps in mechanical progress, then the social classes brought into prominence by the mechanical changes, then the struggle by which these new classes sought to gain social power, and, finally, the institutions which were created or the alterations made in existing institutions as a consequence of the struggle, or as a result of the victory of a new class [pp. vii-viii].

This, it will be seen, is but the application to the history of the United States of Marx's well-known dogma "that in every historical epoch the prevailing mode of production and exchange, and the social organization necessarily following from it, form the "basis upon which